

EXECUTIVE SECRETARIAT

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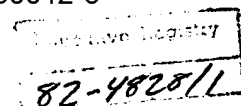
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Remarks:

3637 (10-81)

D/ Executive Secretary
14 Apr 11 1982
Date

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13 April 1982

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Intelligence
Deputy Director for Science & Technology

FROM: John N. McMahon
Executive Director

SUBJECT: Invoice Payments

1. Over the past year or so in various capacities I have heard complaints from small businessmen and contractors regarding the dramatic impact late payments of invoices have on the contractors. It turns out that a large number of the small companies--and for that matter large companies as well--meet their cash flow requirements by obtaining loans from banks and other creditors at the going high interest rates, i.e., 16-19%.

2. It is bad enough when the normal vagaries of business force a contractor to do that, but it's even worse when it's prompted by late payments of invoices due. I would like to make sure that the appropriate offices in your Directorates are alert to the obligation we have in paying our invoices on time. While the burden will normally fall to the DDA, i.e., Finance and Logistics, the COTRs in the other Directorates also have an obligation to insure that invoices don't sit in their in-boxes.

3. I urge everyone's enthusiastic attention to this problem. Our contractors will be most grateful.



John N. McMahon

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